

**JOINT SPECIAL MEETING
OF THE TIPPECANOE COUNTY
BOARD OF COMMISSIONERS and COUNTY COUNCIL
MAY 13, 2014**

The Tippecanoe County Board of Commissioners and Council met Tuesday, May 13 at 9:10 a.m. in the Tippecanoe Room of the County Office Building. Commissioners present were President John L. Knochel, Vice President Thomas P. Murtaugh, and Commissioner David S. Byers. Council members present were President David R. Williams, Vice-President John R. Basham II, Andrew S. Gutwein, Jeffrey A. Kemper, Bryan E. Metzger, Kevin L. Underwood, and Roland K. Winger. Others present were: Financial Consultant Greg Guerrettaz, Auditor Jennifer Weston, Attorney David W. Luhman, and Recording Secretary Dawn Fay.

President Knochel called the Commissioners to order and President Williams reconvened the Council and called the meeting to order.

President Knochel and President Williams welcomed Consultant Guerrettaz.

Greg Guerrettaz, President of Financial Solutions Group, stated he has served as an independent financial advisor for cities, towns, counties, libraries, school corporations, and townships throughout Indiana. As he travels the 92 Indiana counties, there are a lot of challenges. One of the biggest challenges he sees is the counties that don't plan. He shared a story about two northern Indiana cities and a request from the County due to insufficient money in the County General Fund. When the Mayor questioned what had been done from a planning standpoint or to cut expenses, it was basically nothing. The two cities didn't want to give up funds to a County who had not planned. Mr. Guerrettaz said his point is "we must always stay on top of the planning and project where we are to make sure where the brick wall is and how hard you are going to hit it. You want to be financially driven around the brick wall and not tap it or hit it".

The General Fund alone is a \$30 million business. Overall, last year, the major funds had over \$70 million of revenue; it takes a financial plan to run a \$70 million business. At the end of 2013, the ending balance was \$9.4 million. The County Department Heads do a good job of understanding that if they give back to the General Fund; it helps for the following year; possibly affecting the salary increase percentage.

OUTCOME OF 2013 PLAN – "BUILD TIPPECANOE"

Mr. Guerrettaz said the plan was to try to increase some of the infrastructure spending, giving \$1 million each to roads, bridges, and drainage projects. Councilmember Winger said \$3 million was appropriated to the Surveyor/Drainage; \$2 million was given to roads and bridges, another \$1 million was given to drainage. What he is looking for is a summary showing if we did Build Tippecanoe for three years at \$3 million a year based on our projections, how close would the projections be.

REVIEW UPDATED CAPITAL IMPROVEMENT PLAN (CIP)

Mr. Guerrettaz said Auditor Weston provided a draft of the May 13, 2014 plan. Auditor Weston said she started with last year's plan and anything in red font are changes provided by those departments. If there is a line through the item, those items need attention by Auditor Weston and Commissioners' Assistant Cederquist to decide if they have been finished or are already accounted for in the budget. The 2014 plan should be just the items that are not in the budget. Page 3 shows the total last year versus the new total. **Mr. Guerrettaz asked the Commissioners and the Council members to review the list in detail and provide input to Auditor Weston within the next two weeks.** The goal is to keep any major items on the radar screen, such as jail repairs in 2017 or 2018.

CONSIDER MINIMUM FUND BALANCES IN PREPARATION OF 2015 BUDGET PROCESS

Mr. Guerrettaz said he can't emphasize enough from a rating agency standpoint and an overall planning standpoint how the rating agency likes this type of document. It gives them a feel of what the County is thinking should be the minimum fund balances. He feels we have done a very good job but would like some feedback or concerns on anything in the minimum balance column. President Knochel said Cumulative Bridge is way too low (at \$200,000) for the number of bridges in the county. Mr. Guerrettaz said the hardest part on Cumulative Bridge is the funds accumulate, a \$5 million bridge is completed; the fund drops. Commissioner Byers said it should be discussed. If the Cumulative Bridge rate is changed, it brings the General Fund down; however, an additional \$1 million has been added for the next three years. Councilmember Kemper said prior to budget hearings, a couple of options should be made available – what moving a penny from General to Cumulative Bridge does. Mr. Guerrettaz said it is 3.5 pennies for 2014, bringing in property taxes of \$2.3 million; the budget was \$2.4 million. One penny would bring in an additional \$669,000.

Councilmember Winger said one of the other ideas of the balances was to make sure there aren't duplications of funds not planned for today but may be needed in the future. If we are talking about revenue, it's important to look at the Cumulative Bridge rate and what the impact would be. If we are executing a plan and revenues are supporting the plan, it lessens the need to carry a minimum balance dedicated to Cumulative Bridge. We need to look at what the current Cumulative Bridge is going to do (for bridges) in revenue versus what the plan is calling for in expenses to see what exposure is there. Consultant Guerrettaz said that is why it has to be looked at as a total picture. In 2015, one of the million from the three million might be supplementing Cumulative Bridge.

Mr. Guerrettaz said in regard to the minimum fund balance, he asked the Commissioners and Council members to concentrate on the minimum balance column, ignore the 8/13 column, write their name at the top and write in an amount and get those to Auditor Weston.

SET FUTURE MEETINGS AND TOPICS FOR CONTINUED PLANNING AND UPDATING OF SUSTAINABILITY ANALYSIS

Consultant Guerrettaz said the topics for continued planning and updates is what he is interested in. Starting with President Knochel, he asked what he believes to be the biggest challenge to be addressed in 2015 through 2017.

- President Knochel: Cumulative Bridge and Office Space

Mr. Guerrettaz asked when was the last time the County completed a facilities utilization plan or overall study of the facilities. President Knochel said the maintenance department was asked to do that years ago but never pursued the issue. A consultant was considered at one time but it was going to be expensive.

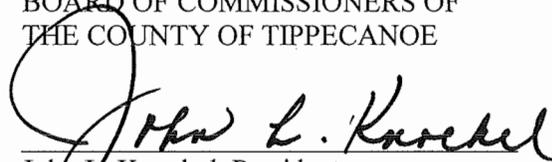
- Commissioner Byers: Upgrades to Aging Facilities and Updated Technology
- Commissioner Murtaugh: Sentencing Reform
- Attorney Luhman: Maintenance of the Jail and Courthouse and Security
- Auditor Weston: Competitive Wages
- President Williams: TIF districts and Court Collections
- Councilmember Basham: Facilities/Office Space and Land Use/New Building
- Councilmember Kemper: Judicial/New Court
- Councilmember Underwood: Infrastructure and Sentencing Reform
- Councilmember Metzger: Technology and Circuit Breaker Effects
- Councilmember Gutwein: Strategic Spending and Maintain Tax Levels
- Councilmember Winger: Space Needs Assessment and Invest Money In Process for Major Cost Reductions/Update Grid

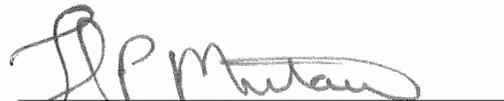
Future meeting dates are scheduled for June 10 and July 8, following the Council meetings.

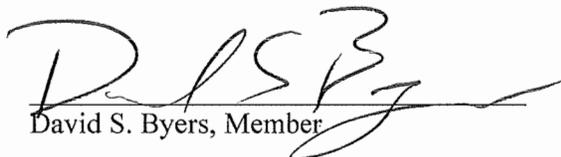
President Knochel and Councilmember Basham moved to adjourn.

Meeting adjourned at 10:15 a.m.

BOARD OF COMMISSIONERS OF
THE COUNTY OF TIPPECANOE


John L. Knochel, President

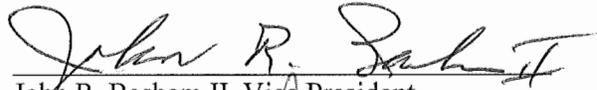

Thomas P. Murtaugh, Vice President


David S. Byers, Member

TIPPECANOE COUNTY COUNCIL



David R. Williams, President



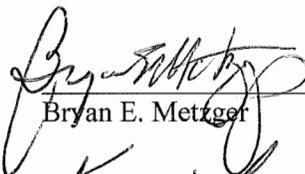
John R. Basham II, Vice President



Andrew S. Gutwein



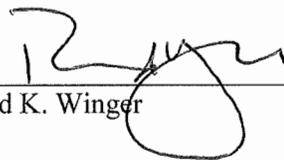
Jeffrey A. Kemper



Bryan E. Metzger

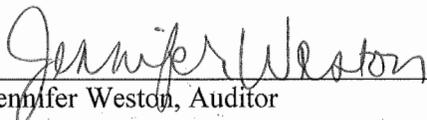


Kevin L. Underwood



Roland K. Winger

ATTEST:



Jennifer Weston, Auditor

06/10/2014